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NASA Procedural Requirements

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30, 2013**COMPLIANCE IS MANDATORY**[Printable Format \(PDF\)](#)

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 (NASA Only)

Subject: Cash Management for Contracts

Responsible Office: Office of the Chief Financial Officer[| TOC](#) | [Preface](#) | [Chapter1](#) | [Chapter2](#) | [Chapter3](#) | [Chapter4](#) | [Chapter5](#) | [AppendixA](#) |
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Appendix C. Description of Relevant Authorities and Applicable Documents

C.1 Authority

C.1.1 28 U.S.C. § 2415, Time for Commencing Actions Brought by the United States. This code limits the time for commencing actions brought by the U. S. based upon any contract. The claim must be filed within 6 years after the right of action accrues or within 1 year after final decisions have been rendered by the required administrative proceedings, whichever is later.

C.1.2 Assignment of Claims Act, 41 U.S.C. §15, 31 U. S. C. § 3727, and Federal Acquisition Regulation (FAR) 32.802. Assignment of Claims Act authorizes assignments to banks, trust companies, or other financing institution (including Federal lending agencies) of monies due, or to become due, under Government contracts totaling \$1,000 or more.

C.1.3 Debt Collection Improvement Act of 1996, Public Law 104-134, and the revised Federal Claims Collection Standards Regulation of 2000. These laws centralized the Governmentwide collection of delinquent debt and gave Treasury significant new responsibilities in this area. The Financial Management Service (FMS) is responsible for Treasury's implementation of the debt collection provisions of the Debt Collection Improvement Act.

C.1.4 Contractor Disputes Act of 1978, Public Law 95-563 (50 U.S.C. § 1431 -1435). Allows Federal Government contractors to sue the United States Government for monetary damages related to their contractual dealings.

C.1.5 Improper Payments Information Act of 2002, Public Law 107-300. This Act requires Federal agencies to review and identify all Programs and activities that may be susceptible to improper payments, report estimates of the amounts of possible improper payments, and submit the report to Congress.

C.1.6 Office of Federal Procurement Policy Act of 1974, Public Law 93-400, as amended by Public Law 96-83. Established to provide overall direction for Government-wide procurement policies, regulations and procedures and to promote economy, efficiency, and effectiveness in acquisition processes.

C.1.7 Prompt Payment Act, 5 CFR 1315. This Act requires that Federal agencies make payments in a timely manner and imposes an interest penalty on late payments.

C.1.8 Management of Federal Agency Disbursements, 31 CFR 208. 31 CFR 28 requires that Federal agencies make all payments using electronic funds transfer except as provided for in the regulation.

C.1.9 Collections by Administrative Offset, 31 Code of Federal Regulations (CFR) Part 901.3. These provisions implement the statutory requirement for mandatory referrals of eligible debts to the Treasury.

C.1.10 21 Comp. Gen. 719 (1942). This decision states that unless specifically stated otherwise in the contract, it is presumed that state and local taxes are included in the contract price.

C.1.11 Comp. Gen. B-134654, Feb 11, 1958. Results from this decision set forth cases where federal, state,

territorial, municipal and other local taxes (excise, sales, use, compensating, occupational, gross income, gross receipts, et cetera) are levied or based on (or payable by the contractor in respect of) the charges listed in the attached catalog, amounts will be added to such charges equivalent to such taxes. In the event such additional charges are made, the government is to pay such increases in charges equal to such taxes FAR Part 31.

C.1.12 Comp. Gen. B-128346, Aug 8, 1956. Comptroller General decision results state, where there is a valid and binding contract covering the furnishing of supplies or services at fixed unit prices, and the contract contains no provision for the adjustment of such prices in the event of the imposition on the contractor of state taxes applicable thereto, there is no authority for the payment of any taxes over and above the unit price stipulated in the contract.

C.1.13 Comptroller General Procedures (Comp. Gen.) (e.g., 37 Comp. Gen. 772 (1959)), Provides guidance on appropriation law, the treatment of laws related to expenditure of Federal funds.

C.1.14 37 Comptroller General Procedures (Comp. Gen.) 772 (1959), 32 Comp. Gen. 423 (1953), 24 Comp. Gen. 150 (1945). These decisions states, when the tax is levied on the seller, the Federal Government must pay the tax as part of the purchase price, unless the taxing authority provides otherwise.

C.1.15 Federal Acquisition Regulation (FAR), Subpart 29.2 Federal Excise Taxes. Subpart 29.2 provides guidance on the allowance or exemption of taxes levied on the sale or use of particular supplies or services.

C.1.16 FAR Subpart Part 29.3 State and Local Taxes. Subpart 29.3 provides policy on the allowance or exemption of taxes levied on purchases and property.

C.1.17 FAR, Part 31, Contract Cost Principles and Procedures. Part 31 of the FAR contains cost principles for the pricing of contracts and the determination, negotiation, or allowance of cost when required by a contract clause.

C.1.18 FAR Part 32, Contract Financing. Part 32 of the FAR provides the primary regulation for use in contract financing and other payment matters.

C.1.19 FAR Part 33.102(b). This regulation requires contracting officers to consider all protests and seek legal advice, whether protests are submitted before or after award and whether filed directly with the agency or the Government Accountability Office.

C.1.20 The Federal Claims Collection Standards (FCCS). The FCCS prescribe standards Federal agencies use in the administrative collection, offset, compromise, and the suspension or termination of collection activity for civil claims for money, funds, or property, unless specific agency statutes or regulations apply to such activities or, as provided for by U.S.C. Title 11 when the claims involve bankruptcy.

C.1.21 Treasury Financial Manual (TFM) 4-2000, Payment Issue Disbursing Procedures. TFM 4-2000 provides direction on issuing payment schedules.

C.1.22 Treasury Financial Management Regulations (TFM), Chapter 6-8000. This chapter establishes procedures for Government agencies to follow to ensure prudent cash management practices when developing and implementing regulations, systems, and instructions.

C.1.23 NASA Policy Directive (NPD) 9010, "Financial Management". NPD 9010 is NASA's policy to comply with the Chief Financial Officers Act of 1990, which states that the Agency Chief Financial Officer (CFO) directs, manages, and provides policy guidance and oversight of Agency financial management personnel, activities, and operations.

C.2 Applicable Documents

C.2.1 NASA FAR Supplement, Part 1832 - Contract Financing. The FAR Supplement provides internal Agency guidance for use in the acquisition of supplies and services.

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